PRESIDENT: Apparently the honourable member is not aware of the practice all over the world. In the House of Commons the Budget speech is read. The only exception was in the case of Mr. Gladstone who, on one occasion, relying on his phenomenal memory, carried all the figures in his head and did not read, but delivered his speech. In France it is read. In the United States it is read. In the Central Legislative Assembly it is read. If the honourable member raises a point of order without understanding the position, I am sorry for the honourable member.

MR. S. NARAYANA AIYAR: Sir, It is now my duty to present the Budget Estimates for the year 1120. When a little over a year ago, the financial statements for the current year were laid before the House by my predecessor in office, the signs of victory were just emerging out of the dark and sombre clouds. But the silver streak is rapidly extending and the definite and sure indications of a complete victory at no distant date seem to be within easy sight of us. Many and varied have been the changes wrought by four and a half years of war; and the changes are no doubt a mixed bag of good and evil. While on the one hand, there is suffering, considerably relieved though, by effective measures of control and rationing, from shortages of various kinds, there is on the other, a plethora of money in the country as a result of higher prices and larger demands for our raw and manufactured products, the large profits arising out of war-contracts and other business and the exodus of a large number of our people for employment in various branches of the Defence services. The finances of the State are also correspondingly buoyant and our revenues now stand at heights, so far unattained. But when the war ceases, as it must ere long, there will naturally be a turn in the tide of affairs. There may be some shrinkage in our revenues, though not perhaps, to the pre-war level. We will be faced with the task of dealing fairly and sympathetically with large numbers of our demobilised men, for whom suitable employment may have to be found, lest the grim disasters of the war should be closely followed by the grimmer menaces of unemployment and consequent distress. How far these possible contingencies have been kept in view in framing the Budget Estimates for the next year and how far the budget that I am about to present to the House is aimed to be not the budget for a year, but the budget for a constructive programme for post-war conditions as well, the House will, I hope, be able to appreciate when I have finished. But before I begin to lay bare to the House the outstanding features of the budget for the next year, I shall briefly review the results of the financial transactions of the Government for the last completed financial year.

ACTUALS OF 1118.

2. The budget for 1118 was prepared on the basis of a revenue realisation of Rs. 290·22 lakhs and a programme of expenditure charged to revenue of Rs. 285·13 lakhs leaving a small revenue surplus of Rs, 5·09 lakhs. The revised estimates were however, fixed at

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Rs. 375·41 lakhs for receipts and Rs. 294·57 lakhs for expenditure. The actual collections during the year mounted up to Rs. 398·09 lakhs, while the expenditure stood at Rs. 294·89 lakhs. The year thus closed with a revenue surplus of Rs. 103·20 lakhs, as against Rs. 5·09 lakhs anticipated in the Budget Estimates and Rs. 80·84 lakhs in the revised estimates. The improvement in revenue was mostly under Taxes on Income, Stamps, Customs, Salt, Registration and the State Transport. The more important of the various factors that contributed to the increase in expenditure were Food Control measures, A. R. P. and other measures of internal security, Contributions in aid of the War and the grant of dearness allowance to the officers in the lower ranks of the Government service. The surplus of Rs. 103·20 lakhs stands credited to the Post-war Reconstruction Fund.

3. In the capital section, the total expenditure during the year 1118 was Rs. 32·19 lakhs as against Rs. 30·29 lakhs provided for in the Budget Estimates. The organisation of the Coastal Transport Scheme accounts for the slight increase in capital expenditure.

REVISED ESTIMATES—1119.

4. I shall now pass on to the year which is just on the eve of its close. When framing the Budget Estimates for the current year, we anticipated a revenue realisation of Rs. 385·54 lakhs and provided for a programme of expenditure charged to revenue of Rs. 327·79 lakhs. But on the basis of the figures booked so far and in the light of the actual experience of the previous months of the year, the revenue is expected to mount up to Rs. 489·41 lakhs, and the expenditure to Rs. 364·08 lakhs. In the result, the year, it is hoped, will close with a revenue surplus of Rs. 125·33 lakhs as against the budget forecast of Rs. 57·75 lakhs. The variations between the budget and the revised estimates, both on the revenue and the expenditure sides, are explained in the Budget Memorandum, copies of which are placed on the table along with copies of the Budget Estimates for 1120. I shall not therefore tax the patience of the House by reiterating every little item of such variations and shall just make a passing reference to the more salient features of the variations. The anticipated increase in revenue is most marked under Customs, Excise, Stamps and Registration, Forests, Taxes on Income and Railways. Though the receipts from the Cochin Harbour are likely to fall short of the original anticipations, the betterment of our Customs revenue under Land Customs, supplemented by an increase of Rs. 5 lakhs under Excise Duty on Matches including the contribution from the Government of India, will more than compensate for the apprehended deterioration in the Cochin Harbour receipts. The lion's share of the expected increase of Rs. 12·7 lakhs under Excise is under Abkari which takes up Rs. 7·5 lakhs, Opium and Ganja, following up with an increase of Rs. 3·6 lakhs. The larger consumption of country liquor by the labouring classes who now earn substantially higher wages than in the pre-war days and the very effective checking of illicit tapping and distillation have contributed

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